1	SECTION 1201. 560.51 of the statutes is repealed.
2	SECTION 1202. 560.53 of the statutes is repealed.
3	SECTION 1203. 560.54 of the statutes is repealed.
4	SECTION 1204. Subchapter V (title) of chapter 560 [precedes 560.60] of the
5	statutes is repealed.
6	SECTION 1205. 560.60 of the statutes is repealed.
7	SECTION 1206. 560.602 of the statutes is repealed.
8	SECTION 1207. 560.605 of the statutes is repealed.
9	SECTION 1208. 560.607 of the statutes is repealed.
10	SECTION 1209. 560.61 of the statutes is repealed.
11	SECTION 1210. 560.68 of the statutes is repealed.
12	SECTION 1211. Subchapter VI (title) of chapter 560 [precedes 560.70] of the
13	statutes is repealed.
14	SECTION 1212. 560.70 (intro.), (2), (2g), (2m), (3), (4), (4m), (5), (6) and (7) of the
15	statutes are renumbered 238.30 (intro.), (2), (2g), (2m), (3), (4), (4m), (5), (6) and (7)
16	and 238.30 (intro.), $(2g)$, $(2m)$ (b), (4) and (7) (b) 1. and 2., (c) and (d), as renumbered
17	are amended to read:
18	238.30 Definitions. (intro.) In this section and ss. 560.71 to 560.795 238.31
19	<u>to 238.395</u> :
20	(2g) "Eligible activity" means an activity described under s. 560.702 238.302
21	(2m) (b) The department may by rule specify corporation may adopt a rule
22	specifying circumstances under which the department corporation may grant
23	exceptions to the requirement under par. (a) that a full-time job means a job in which
24	an individual, as a condition of employment, is required to work at least 2,080 hours
25	per year, but under no circumstances may a full-time job mean a job in which an

1	individual, as a condition of employment, is required to work less than 37.5 hours per
2	week.

- (4) "Local governing body" means the governing body of one or more cities, villages, towns, or counties or the elected governing body of a federally recognized American Indian tribe or band in this state.
- (7) (b) 1. Except as provided in subd. 2., in s. 560.795 238.395, "tax benefits" means the development zones investment credit under ss. 71.07 (2di), 71.28 (1di), and 71.47 (1di) and the development zones credit under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636. With respect to the development opportunity zones under s. 560.795 238.395 (1) (e) and (f), "tax benefits" also means the development zones capital investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).
- 2. With respect to the development opportunity zones under s. 560.795 238.395 (1) (g) and (h), "tax benefits" means the development zone credits under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636 and the development zones capital investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).
- (c) In s. 560.798 238.398, "tax benefits" means the development zones capital investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm) and the development zones credits under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636.
- (d) In ss. 560.701 to 560.706 238.301 to 238.306, "tax benefits" means the economic development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637.

****NOTE: This is reconciled s. 560.70 (4m). This Section has been affected by drafts with the following LRB numbers: LRB-1195/1 and LRB-1465/P3.

Section 1213. 560.70 (1) of the statutes is repealed.

1	SECTION 1214. 560.701 of the statutes is renumbered 238.301, and 238.301 (1)
2	(intro.) and (e), (2) (a) and (b) and (3) (intro.), (b), (c), (d) and (f), as renumbered, are
3	amended to read:
4	238.301 (1) APPLICATION. (intro.) Any person may apply to the department
5	corporation on a form prepared by the department corporation for certification under
6	this section. The application shall include all of the following:
7	(e) Other information required by the department corporation or the
8	department of revenue.
9	(2) (a) The department corporation may certify a person who submits an
10	application under sub. (1) if, after conducting an investigation, the department
11	corporation determines that the person is conducting or intends to conduct at least
12	one eligible activity.
13	(b) The department corporation shall provide a person certified under this
14	section and the department of revenue with a copy of the certification.
15	(3) CONTRACT. (intro.) A person certified under this section shall enter into a
16	written contract with the department corporation. The contract shall include
17	provisions that detail all of the following:
18	(b) Whether any of the eligible activities will occur in an economically
19	distressed area, as designated by the department corporation under s. 560.704
20	<u>238.304</u> (1).
21	(c) Whether any of the eligible activities will benefit members of a targeted
22	group, as determined by the department corporation under s. 560.704 238.304 (2).
23	(d) A compliance schedule that includes a sequence of anticipated actions to be
24	taken or goals to be achieved by the person before the person may receive tax benefits
25	under s. 560.703 <u>238.303</u> .

1	(f) If feasible, a determination of the tax benefits the person will be authorized
2	to claim under s. 560.703 238.303 (2) if the person fulfills the terms of the contract.
3	SECTION 1215. 560.702 of the statutes is renumbered 238.302, and 238.302
4	(intro.), (1), (2) and (3), as renumbered, are amended to read:
5	238.302 Eligible activities. (intro.) A person who conducts or proposes to
6	conduct any of the following may be certified under s. $560.701 \ 238.301 \ (2)$:
7	(1) JOB CREATION PROJECT. A project that creates and maintains for a period of
8	time established by the department corporation by rule full-time jobs in addition to
9	any existing full-time jobs provided by the person.
10	(2) Capital investment project. A project that involves a significant
11	investment of capital, as defined by the department corporation by rule under s.
12	560.706 238.306 (2) (b), by the person in new equipment, machinery, real property,
13	or depreciable personal property.
14	(3) EMPLOYEE TRAINING PROJECT. A project that involves significant investments
15	in the training or reeducation of employees, as defined by the department
16	$\underline{corporation} \ by \ rule \ under \ s. \ \underline{560.706} \ \underline{238.306} \ (2) \ (c), \ by \ the \ person \ for \ the \ purpose \ of$
17	improving the productivity or competitiveness of the business of the person.
18	Section 1216. 560.703 (title) of the statutes is renumbered 238.303 (title).
19	SECTION 1217. 560.703 (1) (a) of the statutes, as affected by 2011 Wisconsin Act
20	4, is renumbered 238.303 (1) (a) and amended to read:
21	238.303 (1) (a) Except as provided in pars. (am) and (b), and subject to a
22	reallocation by the department <u>corporation</u> pursuant to rules promulgated <u>adopted</u>
23	under s. $560.205 \ \underline{238.15} \ (3) \ (d)$, the total tax benefits available to be allocated by the
24	department corporation under ss. 560.701 to 560.706 238.301 to 238.306 may not
25	exceed the sum of the tax benefits remaining to be allocated under ss. s. 560.71 to

1 560.785, <u>2009 stats., s.</u> 560.797, <u>2009 stats., s.</u> 560.798, <u>2009 stats., s.</u> 560.7995, <u>2009</u> 2 <u>stats.,</u> and <u>s.</u> 560.96, <u>2009 stats.,</u> on March 6, 2009, plus \$25,000,000.

SECTION 1218. 560.703 (1) (am) of the statutes, as created by 2011 Wisconsin Act 4, is renumbered 238.303 (1) (am) and amended to read:

\$25,000,000 in tax benefits specified in par. (a), the department corporation shall submit its plan for such allocation to the joint committee on finance. If the cochairpersons of the committee do not notify the department corporation within 14 working days after the date of the department's corporation's submittal that the committee has scheduled a meeting for the purpose of reviewing the plan, the plan may be implemented and the additional amount may be allocated as proposed by the department corporation. If, within 14 working days after the date of the department's corporation's submittal, the cochairpersons of the committee notify the department corporation that the committee has scheduled a meeting for the purpose of reviewing the proposed plan, the plan may be implemented and the additional amount allocated only upon approval of the committee.

SECTION 1219. 560.703 (1) (b), (2) and (3) of the statutes are renumbered 238.303 (1) (b), (2) and (3) and amended to read:

238.303 (1) (b) The department corporation may submit to the joint committee on finance a request in writing to exceed the total tax benefits specified in par. (a). The department corporation shall submit with its request a justification for seeking an increase under this paragraph. The joint committee on finance, following its review, may approve or disapprove an increase in the total tax benefits available to be allocated under ss. 560.701 to 560.706 238.301 to 238.306.

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TAX BENEFITS. The department corporation may er s. 560.701 238.301 (2) to claim tax benefits only
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ed a report to the department corporation that
f the department corporation that the person has
e contract under s. 560.701 238.301 (3) and the
ules promulgated <u>adopted</u> under s. 560.706 <u>238.306</u>
The department corporation shall provide to the
revenue a notice of eligibility to receive tax benefits
enefits for which the person is eligible.
the statutes is renumbered 238.304, and 238.304
are amended to read:
ties in economically distressed areas and
ted groups. (intro.) The department corporation
under s. 560.701 238.301 (2) to claim additional tax
3.303 if, after conducting an investigation, the
nes any of the following:
least one eligible activity in an area designated by

the department corporation as economically distressed. In designating an area as

economically distressed under this subsection, the department corporation shall

Section 1221. 560.705 of the statutes is renumbered 238.305, and 238.305

238.305 Revocation of certification. (intro.) The department corporation

follow the methodology established by rule under s. 560.706 238.306 (2) (e).

shall revoke the certification of a person who does any of the following:

(intro.), (1) and (2), as renumbered, are amended to read:

1	(1) Supplies false or misleading information to obtain certification under s
2	560.701 <u>238.301</u> (2).
3	(2) Supplies false or misleading information to obtain tax benefits under s
4	560.703 <u>238.303</u> .
5	SECTION 1222. 560.706 of the statutes is renumbered 238.306, and 238.306
6	(intro.), (1) (a) and (b), (2) (a), (b), (c), (d), (e) (intro.), (f), (g), (h), (i) and (k) and (3)
7	as renumbered, are amended to read:
8	238.306 Responsibilities of the department corporation. (intro.) The
9	department corporation shall do all of the following:
10	(1) (a) Annually verify information submitted to the department of revenue
11	$under\ ss.\ 71.07\ (2dy),\ 71.28\ (1dy),\ 71.47\ (1dy),\ and\ 76.637\ by\ persons\ certified\ under\ certified\ under\$
12	s. 560.701 $\underline{238.301}$ (2) and eligible to receive tax benefits under s. 560.703 $\underline{238.303}$
13	(b) Notify and obtain written approval from the secretary chief executive officer
14	of the corporation for any certification under sub. (2) (j).
15	(2) (a) A schedule of hourly wage ranges to be paid, and health insurance
16	benefits to be provided, to an employee by a person certified under s. 560.701 238.301
17	(2) and the corresponding per employee tax benefit for which a person certified under
18	s. <u>560.701</u> <u>238.301</u> (2) may be eligible.
19	(b) A definition of "significant investment of capital" for purposes of s. 560.702
20	$\underline{238.302}(2), togetherwithacorrespondingscheduleoftaxbenefitsforwhichapersonderespondingsch$
21	who is certified under s. 560.701 238.301 (2) and who conducts a project described
22	in s. $560.702 \ \underline{238.302}$ (2) may be eligible. The department corporation shall include
23	in the definition required under this paragraph a schedule of investments that takes
24	into consideration the size or nature of the business.

(c) A definition of "significant investments in the training or reeducation of
employees" for purposes of s. 560.702 238.302 (3), together with a corresponding
schedule of tax benefits for which a person who is certified under s. 560.701 $\underline{238.301}$
(2) and who conducts a project under s. $560.702 238.302 (3)$ may be eligible.

- (d) A schedule of tax benefits for which a person who is certified under s. 560.701 238.301 (2) and who conducts a project that will result in the location or retention of a person's corporate headquarters in Wisconsin may be eligible.
- (e) (intro.) The methodology for designating an area as economically distressed under s. 560.704 238.304 (1). The methodology under this paragraph shall require the department corporation to consider the most current data available for the area and for the state on the following indicators:
- (f) A schedule of additional tax benefits for which a person who is certified under s. 560.701 238.301 (2) and who conducts an eligible activity described under s. 560.704 238.304 may be eligible.
- (g) Reporting requirements, minimum benchmarks, and outcomes expected of a person certified under s. 560.701 238.301 (2) before that person may receive tax benefits under s. 560.703 238.303.
- (h) Policies, criteria, and methodology for allocating a portion of the tax benefits available under s. 560.703 238.303 to rural areas.
- (i) Policies, criteria, and methodology for allocating a portion of the tax benefits available under s. 560.703 238.303 to small businesses.
 - (k) Procedures for implementing ss. 560.701 to 560.706 238.301 to 238.306.
- (3) Reporting. Annually, 6 months after the report has been submitted under s. 560.01 (2) (am) 238.07 (2), submit to the joint legislative audit committee and to the appropriate standing committees of the legislature under s. 13.172 (3) a

1	comprehensive report assessing the program under ss. 560.701 to 560.706 238.301
2	$\underline{\text{to }238.306}$. The report under this subsection shall update the applicable information
3	provided in the report under s. 560.01 (2) (am) <u>238.07 (2)</u> .
4	SECTION 1223. 560.71 of the statutes is renumbered 238.31, and 238.31 (1
5	(intro.), (ac), (am), (b), (d) and (e) (intro.), 3. and 4. a., c. and d., (1m) (intro.), (a) and
6	(h), (2) and (3) (intro.), as renumbered. are amended to read:
7	238.31 (1) (intro.) The department corporation may designate an area as a
8	development zone if all of the following apply:
9	(ac) The department corporation has invited a local governing body to nominate
10	the area under s. 560.715 <u>238.315</u> .
11	(am) A local governing body nominates the area as described in s. 560.72
12	<u>238.32</u> .
13	(b) The department corporation has evaluated the local governing body's
14	application as described in s. 560.725 238.325 .
15	(d) The area meets the applicable requirements under s. 560.735 or 560.737
16	<u>238.335</u> .
17	(e) (intro.) The department corporation determines all of the following:
18	3. That economic development in the area is not likely to occur or continue
19	without the department's corporation's designation of the area as a development
20	zone.
21	4. a. The unemployment rate in the area is higher than the state average for
22	the 18 months immediately preceding the date on which the application under s.
23	$560.72 \ \underline{238.32}$ (2) or (3) was submitted to the department corporation.

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(intro.), (2) (intro.), (c), (d), (f) and (i), (3) and (5), as renumbered, are amended to read:

238.32 (1) (intro.) A local governing body may nominate an area as a
development zone, if the department corporation has invited the governing body to
nominate the area under s. 560.715 238.315 and if the governing body does all of the
following:
(2) (intro.) A local governing body may nominate the area as a development
zone by submitting an application to the department corporation in a form prescribed
by the department corporation. The application shall include all of the following:
(c) Evidence that the area meets at least 3 of the criteria under s. $560.71 238.31$
(1) (e) 4.
(d) Evidence that the area meets the applicable requirements of s. 560.735
<u>238.335</u> .
(f) A description of past and present economic development activities in the
area under local, state, or federal programs.
(i) Any other information required by the department corporation.
(3) Two or more local governing bodies may submit a joint application
nominating an area as a development zone, subject to s. 560.735 ± 238.335 (2), if each
local governing body complies with subs. (1) and (2).
(5) The department corporation may permit a local governing body to revise an
application that the department corporation determines is inadequate or
incomplete.
SECTION 1226. 560.725 of the statutes is renumbered 238.325 and amended to
read:
238.325 Evaluation by department corporation. (1) The department
corporation shall evaluate applications received under s. 560.72 238.32 (2) and (3).

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SECTION	1996
SECTION	1226

(2) Subject to s. 560.735 238.335 (5), the department corporation may reduce
the size of an area nominated as a development zone, if the department corporation
determines the boundaries as proposed by the local governing body in an application
under s. $560.72 \underline{238.32} (2)$ or (3) are inconsistent with the purpose of the development
zone program. Any nominated area which is reduced under this subsection need not
comply with s. <u>560.735</u> <u>238.335</u> (1) and (4).

- (3) After evaluating an application submitted under s. 560.72 238.32 (2) or (3), the department corporation may approve the application, subject to any reduction in the size of the nominated area under sub. (2). If the department corporation approves the application, the department corporation shall designate the area as a development zone, subject to s. 560.71 238.31, and notify the local governing body.
- **SECTION 1227.** 560.735 of the statutes is renumbered 238.335, and 238.335 (1) (a) and (c), (2), (5) (a) and (b), (6) (a) 1. and 2. and (c), (6r) and (7), as renumbered, are amended to read:
- 238.335 (1) (a) The area contains less than 10% of the valuation of the property of the city, village, or town, as determined under s. 70.57, in which the area is located.
- (c) If the area is located within a village, town, or city other than a 1st class city, the population of the area is not less than 1,000 nor more than 10,000, as estimated under s. 16.96.
- (2) If an area is located within the boundaries of 2 or more cities, villages, or towns, the property value of the cities, villages, or towns under sub. (1) (a) shall be combined for the purposes of sub. (1).
- (5) (a) The area has a continuous border following natural or man-made boundaries such as streets, highways, rivers, municipal limits, or limits of a reservation.

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1	(b) The area consists of contiguous blocks, census blocks, or similar units.
2	(6) (a) 1. Each of the areas has a continuous border following natural or
3	man-made boundaries and consists of contiguous blocks, census blocks, or similar
4	units.
5	2. Each area meets at least 3 of the criteria listed in s. $560.71 \ \underline{238.31}$ (1) (e) 4.
6	(c) If an application is submitted by the governing body of a county under s.
7	560.72 238.32 (2) or (3), up to 4 separate areas may be nominated or designated as
8	one development zone, if par. (a) 1. to 3. applies.
9	(6r) Subject to the population limit under sub. (6m), if an area that is
10	nominated or designated as a development zone is comprised of one or more entire
11	counties and a city, village, or town is partially located in the area and partially
12	located outside of the area, the entire city, village, or town shall be part of the
13	nominated or designated area.
14	(7) The department corporation may waive the requirements of this section in
15	a particular case, if the department corporation determines that application of the
16	requirement is impractical with respect to a particular development zone.
17	SECTION 1228. 560.737 of the statutes is repealed.
18	SECTION 1229. 560.74 of the statutes is renumbered 238.34, and 238.34 (1), (2),
19	(3) (intro.) and (a), (4), (5) and (6), as renumbered, are amended to read:
20	238.34 (1) Except as provided under sub. (6), at any time after a development
21	zone is designated by the department <u>corporation</u> , a local governing body may submit
22	an application to change the boundaries of the development zone. If the boundary
23	change reduces the size of a development zone, the local governing body shall explain
24	why the area excluded should no longer be in a development zone. The department

corporation may require the local governing body to submit additional information.

on or after March 6, 2009.

to read:

(2) The department corporation may approve an application for a boundary
change if the development zone, as affected by the boundary changes, meets the
applicable requirements of s. 560.735 238.335 and 3 of the criteria under s. 560.71
238.31 (1) (e) 4.
(3) (intro.) If the department corporation approves an application for a
boundary change under sub. (2), it shall do all of the following:
(a) Redetermine the limit on the tax benefits for the development zone
established under s. 560.745 <u>238.345</u> (2) (a).
(4) The change in the boundaries or tax benefits limit of a development zone
shall be effective on the day the department corporation notifies the local governing
body under sub. (3) (b).
(5) No change in the boundaries of a development zone may affect the duration
of an area as a development zone under s. 560.745 238.345 (1) (a). The department
corporation may consider a change in the boundary of a development zone when
evaluating an application for an extension of the designation of an area as a
development zone under s. 560.745 238.345 (1) (b).
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(6) The department corporation may not accept any applications under sub. (1)

Section 1230. 560.745 of the statutes is renumbered 238.345, and 238.345 (1)

238.345 (1) (a) The designation of an area as a development zone shall be

to change the boundaries of a development zone designated under s. 560.71 238.31

 $(a) \ and \ (b), (2) \ (a), (am), (b), (c) \ 1. \ and \ 2. \ and \ (d) \ and \ (3), as \ renumbered, are \ amended$

effective for 240 months, beginning on the day the department notifies the local

governing body under s. 560.725 238.325 (3) of the designation.

SECTION 1230

1	(b) The local governing body may apply to the department corporation for one
2	60-month extension of the designation. The department corporation shall
3	promulgate adopt rules establishing criteria for approving an extension of a
4	designation of an area as a development zone under this subsection. No applications
5	may be accepted by the department corporation under this paragraph on or after
6	March 6, 2009.
7	(2) (a) When the department corporation designates a development zone under
8	s. 560.71 238.31 , it shall establish a limit for tax benefits for the development zone
9	determined by allocating to the development zone a portion of \$38,155,000.
10	(am) Notwithstanding par. (a), the department corporation may increase the
11	established limit for tax benefits for a development zone. The department
12	corporation may not increase the limit for tax benefits established for any
13	development zone designated under s. 560.71 238.31 on or after March 6, 2009.
14	(b) Annually the department corporation shall estimate the amount of forgone
15	state revenue because of tax benefits claimed by persons in each development zone.
16	(c) 1. Ninety days after the day on which the department corporation
17	determines that the forgone tax revenues under par. (b) will equal or exceed the limit
18	for the development zone established under par. (a) or (am).
19	2. The day that the department corporation withdraws its designation of an
20	area as a development zone under sub. (3).
21	(d) The department corporation shall immediately notify the local governing
22	body of a change in the expiration date of the development zone under par. (c).
23	(3) The department corporation may withdraw the designation of an area as

a development zone if any of the following apply applies:

1	(a) No person is certified as eligible to receive tax benefits under s. 560.765
2	238.365 (3) during the 12-month period beginning on the day the area is designated
3	as a development zone and the department corporation determines that the local
4	governing body that nominated the zone is not in compliance with s. 560.763 238.363 .
5	(b) No person is certified as eligible to receive tax benefits under s. 560.765
6	$\underline{238.365}$ (3) during the 24-month period beginning on the day the area is designated
7	a development zone.
8	SECTION 1231. 560.75 of the statutes is renumbered 238.35, and 238.35 (intro.),
9	(6), (7), (8) and (10), as renumbered, are amended to read:
10	238.35 Additional duties of the department corporation. (intro.) The
11	department corporation shall do all of the following:
12	(6) Notify University of Wisconsin Wisconsin-Madison and University of
13	Wisconsin System small business development centers, the Wisconsin housing and
14	development centers, the central administration of the University of
15	Wisconsin-Madison campus and all University of Wisconsin System campuses and
16	regional planning commissions about the development zone program and encourage
17	those entities to provide advice to the department corporation or local governing
18	bodies on ways to improve the development zone program.
	****Note: This is reconciled s. 560.75 (6). This Section has been affected by drafts with the following LRB numbers: LRB-1187/P4 and LRB-1465/P3.
19	(7) Prepare forms for the certification described under s. 560.765 238.365 (5).
20	(8) Annually verify information submitted to the department corporation

(10) Enter into an agreement with the local governing body of a 1st class city where a development zone is designated under s. 560.71 238.31 (3) (c) 1. to provide

under s. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), or 76.636.

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s. 560.78 <u>238.38</u> (1).

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efficient administrat	ion of the development	zone p	rogra	m withii	n the dev	elopn'	nent
zone.							
Section 1232.	560.763 of the statutes is	s renu	mbere	ed 238.36	63, and 2	38.36	3 (1)
(intro.) and (c) and (c	1), as renumbered, are a	mende	ed to r	ead:			
238.363(1)(intr	ro.) If an area nominated	by a lo	cal go	verning	body is d	esign	ated
as a development zor	ne under s. 560.71 <u>238.3</u>	1, the	local g	governin	g body sl	hall d	o all
of the following:							
(c) Assist the d	epartment corporation	in	the	adminis	stration	of	the
development zone pr	ogram.						
(4) The local g	overning body of a 1st c	lass ci	ty wh	ere a de	velopmei	nt zor	ıe is
designated under s.	560.71 <u>238.31</u> (3) (c) 1. s	hall er	nter in	nto an ag	greement	with	the
department corporat	ion to provide efficient a	dminis	stratio	on of the	developn	nent 2	zone
program within the	levelopment zone.						
Section 1233.	560.765 of the statutes	is ren	umbe	ered 238	.365, and	1 238	.365
(intro.), (2), (3) (intro	.), (b), (c), (e) and (j) and	(5) (e),	(g) a	nd (h), a	s renumb	ered,	, are
amended to read:							
238.365 Certif	ication for tax benefit	s. (intr	o.) Tl	ne depar	tment co	rpora	<u>tion</u>
shall do all of the foll	owing:						
(2) Determine	whether a person appl	ying f	or tax	benefit	s engage	es or	will
engage in economic a	ctivity which <u>that</u> violat	tes s. 5	60.78	238.38	(1).		
(3) (intro.) Subj	ect to s. 560.78 <u>238.38,</u> c	ertify p	oersor	ns who a	re eligible	e to cl	aim
tax benefits while ar	area is designated as	a deve	lopme	ent zone	, accordi	ng to	the
following criteria:							

(b) The person's commitment not to engage in economic activity that violates

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1	(c) The number of full-time jobs that will be created, retained, or substantially
2	upgraded as a result of the person's economic activity in relation to the amount of tax
3	benefits estimated for the person under sub. (4).
4	(e) The amount the person proposes to invest in a business, or spend on the
5	construction, rehabilitation, repair, or remodeling of a building, located within the
6	development zone.
7	(j) Any other criteria established under rules promulgated adopted by the
8	department corporation.
9	(5) (e) The estimated number of full-time jobs that will be created, retained,
10	or significantly upgraded in the development zone because of the person's business.
11	(g) The limit under s. 560.768 238.368 on tax benefits the person may claim
12	while an area is designated as a development zone.
13	(h) Other information required by the department corporation or the
14	department of revenue.
15	Section 1234. 560.768 of the statutes is renumbered 238.368 , and 238.368 (1)
16	(a) and (b), (2) (intro.) and (b) and (3) (a) (intro.) and 1. and (b), as renumbered, are
17	amended to read:
18	238.368 (1) (a) The department corporation shall establish a limit on the
19	maximum amount of tax benefits a person certified under s. $560.765 \underline{238.365} (3)$ may
20	claim while an area is designated as a development zone.
21	(b) When establishing a limit on tax benefits under par. (a), the department
22	corporation shall do all of the following:
23	1. Consider all of the criteria described in s. 560.765 238.365 (3) (a) to (e).

2. Establish a limit which does not greatly exceed a recommended limit,

established under rules $\frac{1}{2}$ promulgated $\frac{1}{2}$ by the $\frac{1}{2}$ department $\frac{1}{2}$ corporation based

on the cost, number and types of full-time jobs that will be created, retained, or
upgraded, including full-time jobs available to members of the targeted population,
as a result of the economic activity of the person certified under s. 560.765 238.365
(3).
(2) (intro.) The department corporation may, upon request, increase a limit on
tax benefits established under sub. (1) if the department corporation does all of the
following:
(b) Revises the certification required under s. $560.765 \ \underline{238.365}$ (5) and provides
a copy of the revised form to the department of revenue and the person whose limit
is increased under this subsection.
(3) (a) (intro.) The department corporation may reduce a limit established
under sub. (1) or (2) if the department corporation determines that any of the
following applies:
1. The limit is not consistent with the criteria listed under s. 560.765 238.365
(3) (a) to (e).
(b) The department corporation shall notify the department of revenue and the
person whose limit on tax benefits is reduced under par. (a) and provide a written
explanation to the person of the reasons for reducing the limit.
SECTION 1235. 560.77 of the statutes is renumbered 238.37, and 238.37 (1)
(intro.) and (b) and (2), as renumbered, are amended to read:
238.37 (1) (intro.) The department corporation shall revoke the certification of
a person certified under s. $560.765 \ \underline{238.365} \ (3)$ if the person does any of the following:
(b) Becomes subject to revocation under s. 560.78 238.38 (1).
(2) The department corporation shall notify the department of revenue within
30 days of revoking a certification under sub (1)

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1	SECTION 1236. 560.78 of the statutes is renumbered 238.38, and 238.38 (1)
2	(intro.), (1m), (2) (intro.) and (a) and (3) (a) and (b), as renumbered, are amended to
3	read:
4	238.38 (1) (intro.) Except as provided in subs. (2) and (3), no person may be
5	certified under s. 560.765 238.365 (3), or a person's certification may be revoked
6	under s. 560.77 238.37, if the proposed new business, expansion of an existing
7	business, or other proposed economic activity in a development zone would do or does
8	any of the following:
9	(1m) No person may be certified under s. $560.765 \ \underline{238.365} \ (3)$ on or after March
10	6, 2009.
11	(2) (intro.) Subsection (1) does not apply if, after a hearing, the department
12	corporation, or the local governing body under sub. (3) (a), determines that any of the
13	following applies:
14	$(a) \ The \ total \ number \ of full-time \ jobs \ provided \ by \ the \ person \ in \ this \ state \ would$
15	be reduced if the person were not certified under s. 560.765 238.365 (3) or if the
16	person's certification were revoked.
17	(3) (a) Except as provided in pars. (b) and (c), if the economic activity for which
18	a person is seeking certification under s. 560.765 238.365 (3) is the relocation of a
19	business into a development zone from a location that is outside the development
20	zone but within the limits of a city, village, town, or federally recognized American
21	Indian reservation in which that development zone is located, the local governing
22	body that nominated that area as a development zone under s. 560.72 238.32 shall
23	determine whether sub. (2) (a) or (b) applies.

(b) Only the department corporation may determine whether sub. (2) (a) or (b)

applies to a business relocation described in par. (a) if the business relocation would

likely result in the loss of full-time jobs at or transfer of employees from a business
location that is in this state but outside the limits of any city, village, town, or
federally recognized American Indian reservation in which the development zone is
located.
SECTION 1237. 560.785 of the statutes is renumbered 238.385, and 238.385 (1)
(intro.), (b), (bm) and (c) (intro.) and (2) (intro.), (b) and (c), as renumbered, are
amended to read:
238.385 (1) (intro.) For the development zone program under ss. 560.70 and
560.71 to 560.78 238.30 and 238.31 to 238.38, the development opportunity zone
program under s. 560.795 238.395, and the enterprise development zone program
under s. 560.797 238.397, the department corporation shall promulgate adopt rules
that further define a person's eligibility for tax benefits. The rules shall do at least
all of the following:
(b) Allow a person to claim up to \$8,000 in tax benefits during the time that an
area is designated as a development zone, as a development opportunity zone, or as
an enterprise development zone for creating a full-time job that is filled by a member
of the target population.
(bm) Allow a person to claim up to \$8,000 in tax benefits during the time that
an area is designated as an enterprise development zone for retaining a full-time job
if the department corporation determines that the person made a significant capital
investment to retain the full-time job.
(c) (intro.) Allow a person to claim up to \$6,000 in tax benefits during the time
that an area is designated as a development zone, as a development opportunity
zone, or as an enterprise development zone for any of the following:

1	(2) (intro.) The department corporation may by rule specify circumstances
2	under which the department corporation may grant exceptions to any of the
3	following:
4	(b) The requirement under ss. $560.70238.30(2\text{m})$ and $560.797238.397(1)(\text{am})$
5	that an individual's pay must equal at least 150% of the federal minimum wage.
6	(c) The requirement under ss. $560.70\ 238.30\ (2\text{m})$ and $560.797\ 238.397\ (1)\ (\text{am})$
7	that an individual's position must be regular, nonseasonal, and full-time and that
8	the individual must be required to work at least 2,080 hours per year, including paid
9	leave and holidays.
10	SECTION 1238. 560.795 of the statutes is renumbered 238.395, and 238.395 (1)
11	(a), (b), (c), (d), (e), (f), (g) and (h), (2) (c), (d) and (e), (3) (a), (b) 1., 2., 3., 4., 5., 6., 7.,
12	8. and 9., (c) and (d), (4) (a) (intro.) and (b) and (5) (a) (intro.), 2. and 3., (b), (c), (d),
13	(e) (intro.) and 3. and (f), as renumbered, are amended to read:
14	238.395 (1) (a) An area in the city of Beloit, the legal description of which is
15	provided to the department corporation by the local governing body of the city of
16	Beloit.
17	(b) An area in the city of West Allis, the legal description of which is provided
18	to the department <u>corporation</u> by the local governing body of the city of West Allis.
19	(c) An area in the city of Eau Claire, the legal description of which is provided
20	to the department corporation by the local governing body of the city of Eau Claire.
21	(d) An area in the city of Kenosha, the legal description of which is provided to
22	the department corporation by the local governing body of the city of Kenosha.
23	(e) An area in the city of Milwaukee, the legal description of which is provided

to the department corporation by the local governing body of the city of Milwaukee.

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(f) For the Gateway Project, an area in the city of Beloit, the legal description
of which is provided to the department corporation by the local governing body of the
city of Beloit.

- (g) An area in the city of Janesville, the legal description of which is provided to the department corporation by the local governing body of the city of Janesville.
- (h) An area in the city of Kenosha, the legal description of which is provided to the department corporation by the local governing body of the city of Kenosha.
- (2) (c) Annually, the department corporation shall estimate the amount of forgone state revenue because of tax benefits claimed by corporations or persons in each development opportunity zone.
- (d) 1. Notwithstanding pars. (a) and (e), the designation of an area as a development opportunity zone shall expire 90 days after the day on which the department corporation determines that the forgone tax revenues under par. (c) will equal or exceed the limit for the development opportunity zone.
- 2. The department corporation shall immediately notify the local governing body of the city in which the development opportunity zone is located of a change in the expiration date of the development opportunity zone under this paragraph.
- (e) 1. The department corporation may extend the designation of an area under sub. (1) (g) as a development opportunity zone for an additional 60 months if the department corporation determines that an extension under this subdivision would support economic development within the city. If the department corporation extends the designation of the area as a development opportunity zone, the limit for tax benefits for the development opportunity zone under sub. (1) (g) is increased by \$5,000,000.

2. The department corporation may extend the designation of an area under
sub. (1) (h) as a development opportunity zone for an additional 60 months if the
department corporation determines that an extension under this subdivision would
support economic development within the city. If the department corporation
extends the designation of the area as a development opportunity zone, the limit for

tax benefits for the development opportunity zone under sub. (1) (h) is increased by

7 \$5,000,000.

- (3) (a) 1. Any corporation person that is conducting or that intends to conduct economic activity in a development opportunity zone under sub. (1) (a) or (b) and that, in conjunction with the local governing body of the city in which the development opportunity zone is located, submits a project plan as described in par. (b) to the department corporation no later than 6 months after April 23, 1994, shall be entitled to claim tax benefits while the area is designated as a development opportunity zone.
- 2. Any corporation person that is conducting or that intends to conduct economic activity in a development opportunity zone under sub. (1) (c) and that, in conjunction with the local governing body of the city in which the development opportunity zone is located, submits a project plan as described in par. (b) to the department corporation no later than 6 months after April 28, 1995, shall be entitled to claim tax benefits while the area is designated as a development opportunity zone.
- 3. Any corporation person that is conducting or that intends to conduct economic activity in a development opportunity zone under sub. (1) (d) and that, in conjunction with the local governing body of the city in which the development opportunity zone is located, submits a project plan as described in par. (b) to the

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- department corporation no later than July 1, 2000, shall be entitled to claim tax
 benefits while the area is designated as a development opportunity zone.
 - 4. Any person that is conducting or that intends to conduct economic activity in a development opportunity zone under sub. (1) (e), (f), (g), or (h) and that, in conjunction with the local governing body of the city in which the development opportunity zone is located, submits a project plan as described in par. (b) to the department corporation shall be entitled to claim tax benefits while the area is designated as a development opportunity zone.
 - (b) 1. The name and address of the corporation's or person's business for which tax benefits will be claimed.
 - 2. The appropriate federal tax identification number of the corporation or person.
 - 3. The names and addresses of other locations outside of the development opportunity zone where the corporation or person conducts business and a description of the business activities conducted at those locations.
 - 4. The amount that the corporation or person proposes to invest in a business, or spend on the construction, rehabilitation, repair, or remodeling of a building, located within the development opportunity zone.
 - 5. The estimated total investment of the corporation or person in the development opportunity zone.
 - 6. The number of full-time jobs that will be created, retained, or substantially upgraded as a result of the corporation's or person's economic activity in relation to the amount of tax benefits estimated for the corporation or person.
- 7. The corporation's or person's plans to make reasonable attempts to hire employees from the targeted population.

- 8. A description of the commitment of the local governing body of the city in which the development opportunity zone is located to the corporation's or person's project.
- 9. Other information required by the department corporation or the department of revenue.
- (c) The department corporation shall notify the department of revenue of all corporations or persons entitled to claim tax benefits under this subsection.
- (d) The department corporation annually shall verify information submitted to the department corporation under s. 71.07 (2di), (2dm), or (2dx), 71.28 (1di), (1dm), or (1dx), 71.47 (1di), (1dm), or (1dx), or 76.636.
- (4) (a) (intro.) The department corporation shall revoke the entitlement of a corporation or person to claim tax benefits under sub. (3) if the corporation or person does any of the following:
- (b) The department corporation shall notify the department of revenue within 30 days after revoking an entitlement under par. (a).
- (5) (a) (intro.) The department corporation may certify for tax benefits a person that is conducting economic activity in the development opportunity zone under sub.

 (1) (e) or (f) and that is not otherwise entitled to claim tax benefits if all of the following apply:
- 2. The department corporation determines that the economic activity of the other person under subd. 1. would not have occurred but for the involvement of the person to be certified for tax benefits under this subsection.
- 3. The person to be certified for tax benefits under this subsection will pass the benefits through to the other person conducting the economic activity under subd.

 1., as determined by the department corporation.

1	(b) A person intending to claim tax benefits under this subsection shall submit
2	to the department corporation an application, in the form required by the
3	department corporation, containing information required by the department
4	corporation and by the department of revenue.
5	(c) The department corporation shall notify the department of revenue of all
6	persons certified to claim tax benefits under this subsection.
7	(d) The department corporation annually shall verify information submitted
8	to the department corporation under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx),
9	71.47 (1dm) or (1dx), or 76.636.
10	$(e) (intro.) The \frac{department}{corporation} shall revoke the entitlement of a person$
11	to claim tax benefits under this subsection if the person does any of the following:
12	3. Does not pass the benefits through to the other person conducting the
13	economic activity under par. (a) 1., as determined by the department corporation.
14	(f) The department corporation shall notify the department of revenue within
15	30 days after revoking an entitlement under par. (e).
16	SECTION 1239. 560.797 of the statutes is renumbered 238.397, and 238.397 (1)
17	$(am), (c) and (d), (2) (a) (intro.), 3. and 4. a. and d. and (b) (intro.), 1. and 8., \\ (bg) (intro.), (bg) $
18	and 2., (br) (intro.), (c), (d) and (e), (3) (a), (b) 4., 6. and 11. and (c), (4) (a), (c), (d), (f)
19	$and\left(g\right),\left(5\right)\left(a\right),\left(b\right),\left(c\right)\ and\left(d\right)\ 1.\ and\ 2.\ and\left(6\right)\left(a\right)\left(intro.\right)\ and\left(b\right),\ as\ renumbered,\ are$
20	amended to read:
21	238.397 (1) (am) "Full-time job" has the meaning given in s. 560.70 238.30
22	(2m).
23	(c) "Target population" has the meaning given in s. 560.70 238.30 (6).

(d) "Tax benefits" has the meaning given in s. 560.70 238.30 (7).

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1	(2) (a) (intro.) Subject to pars. (c), (d), and (e), the department corporation may
2	designate an area as an enterprise development zone for a project if the department
3	corporation determines all of the following:
4	3. That the project is not likely to occur or continue without the department's
5	corporation's designation of the area as an enterprise development zone.
6	4. a. The unemployment rate in the area is higher than the state average for
7	the 18 months immediately preceding the date on which the application under sub.
8	(3) was submitted to the department corporation.
9	d. In the 36 months immediately preceding the date on which the application
10	under sub. (3) was submitted to the department corporation, a number of workers
11	in the area were permanently laid off by their employer or became unemployed as
12	a result of a business action subject to s. 109.07 (1m).
13	(b) (intro.) In making a determination under par. (a), the department
14	corporation shall consider all of the following:
15	1. The extent of poverty, unemployment, or other factors contributing to
16	general economic hardship in the area.
17	8. Any other factors that the department corporation considers relevant.
18	(bg) (intro.) Notwithstanding par. (a) and subject to pars. (c), (d), and (e), the
19	department corporation may designate an area as an enterprise development zone
20	for a project if the department corporation determines all of the following:
21	2. That the project is not likely to occur or continue without the department's
22	corporation's designation of the area as an enterprise development zone.
23	(br) (intro.) In making a determination under par. (bg), the department

corporation shall consider all of the following:

(c) The department corporation may not designate as an enterprise development zone, or as any part of an enterprise development zone, an area that is located within the boundaries of an area that is designated as a development opportunity zone under s. 560.795 238.395, the designation of which is in effect.

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- (d) The department corporation may not designate more than 98 enterprise development zones unless the department corporation obtains the approval of the joint committee on finance to do so. Of the enterprise development zones that the department corporation designates, at least 10 shall be designated under par. (bg).
- (e) The department corporation may not designate any area as an enterprise development zone on or after March 6, 2009.
- (3) (a) A person that conducts or that intends to conduct a project and that desires to have the area in which the project is or is to be conducted designated as an enterprise development zone for the purpose of claiming tax benefits may submit to the department corporation an application and a project plan.
- (b) 4. The amount that the person proposes to invest in a business; to spend on the construction, rehabilitation, repair, or remodeling of a building; or to spend on the removal or containment of, or the restoration of soil or groundwater affected by, environmental pollution; in the area proposed to be designated as an enterprise development zone.
- 6. The estimated number of full-time jobs that will be created, retained, or substantially upgraded as a result of the person's project in relation to the amount of tax benefits estimated for the person.
- 11. Any other information required by the department corporation or the department of revenue.

(c) The department corporation may not accept or approve any applications or
project plans submitted under par. (a) on or after March 6, 2009.

- (4) (a) Except as provided in par. (h), if the department corporation approves a project plan under sub. (3) and designates the area in which the person submitting the project plan conducts or intends to conduct the project as an enterprise development zone under the criteria under sub. (2), the department corporation shall certify the person as eligible for tax benefits.
- (c) When the department corporation designates an area as an enterprise development zone for a project, the department corporation shall notify the governing body of any city, village, town, or federally recognized American Indian tribe or band in which the area is located of the area's designation.
- (d) The department corporation shall notify the department of revenue of all persons entitled to claim tax benefits under this section, except that the department corporation shall notify the office of the commissioner of insurance of all persons entitled to claim the credit under s. 76.636.
- (f) The tax benefits for which a person is certified as eligible under this subsection are not transferable to another person, business, or location, except to the extent permitted under section 383 of the internal revenue code.
- (g) The department corporation annually shall verify information submitted to the department corporation under s. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), or 76.636.
- (5) (a) When the department corporation designates an area as an enterprise development zone under this section, the department corporation shall specify the length of time, not to exceed 84 months, that the designation is effective, subject to par. (d) and sub. (6).

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- CTS/RNK/MPG/JK/RCT/MGG:all:rs Section 1239
- (b) When the department corporation designates an area as an enterprise development zone under this section, the department corporation shall establish a limit, not to exceed \$3,000,000, for tax benefits for the enterprise development zone.
- (c) Annually, the department corporation shall estimate the amount of forgone state revenue because of tax benefits claimed by persons in each enterprise development zone.
- (d) 1. Notwithstanding the length of time specified by the department corporation under par. (a), the designation of an area as an enterprise development zone shall expire 90 days after the day on which the department corporation determines that the forgone tax revenues under par. (c) will equal or exceed the limit established for the enterprise development zone.
- 2. The department corporation shall immediately notify the department of revenue and the governing body of any city, village, town, or federally recognized American Indian tribe or band in which the enterprise development zone is located of a change in the expiration date of the enterprise development zone under this paragraph.
- (6) (a) (intro.) The department corporation shall revoke the entitlement of a person to claim tax benefits under this section, and the designation of the area as an enterprise development zone shall expire, if the person does any of the following:
- (b) The department corporation shall notify the department of revenue within 30 days after revoking an entitlement under par. (a).

Section 1240. 560.798 of the statutes is renumbered 238.398, and 238.398 (2) (a) and (b), (3) (a) and (b), (4) (a) (intro.) and (b) and (5) (intro.) and (e), as renumbered, are amended to read:

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238.398 (2) (a) Except as provided under par. (c), the department corporation may designate one area in the state as an agricultural development zone. The area must be located in a rural municipality. An agricultural business that is located in an agricultural development zone and that is certified by the department corporation under sub. (3) is eligible for tax benefits as provided in sub. (3).

- (b) The designation of an area as an agricultural development zone shall be in effect for 10 years from the time that the department corporation first designates the area. Not more than \$5,000,000 in tax benefits may be claimed in an agricultural development zone, except that the department corporation may allocate the amount of unallocated airport development zone tax credits, as provided under s. 560.7995 238.3995 (3) (b), to agricultural development zones for which the \$5,000,000 maximum allocation is insufficient. The department corporation may change the boundaries of an agricultural development zone during the time that its designation is in effect. A change in the boundaries of an agricultural development zone does not affect the duration of the designation of the area or the maximum tax benefit amount that may be claimed in the agricultural development zone.
- (3) (a) Except as provided under par. (c), the department corporation may certify for tax benefits in an agricultural development zone a new or expanding agricultural business that is located in the agricultural development zone. In determining whether to certify a business under this subsection, the department corporation shall consider, among other things, the number of jobs that will be created or retained by the business.
- (b) When the department corporation certifies an agricultural business under this subsection, the department corporation shall establish a limit on the amount of tax benefits that the business may claim. The department corporation shall enter

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1	into an agreement with the business that specifies the limit on the amount of tax
2	benefits that the business may claim and reporting requirements with which the
3	business must comply.
4	(4) (a) (intro.) The department of commerce corporation shall notify the
5	department of revenue of all the following:
6	(b) The department corporation shall annually verify information submitted
7	to the department corporation under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx),
8	71.47 (1dm) or (1dx), or 76.636.
9	(5) (intro.) The department corporation shall promulgate adopt rules for the
10	operation of this section, including rules related to all the following:
11	(e) The exchange of information between the department of commerce
12	corporation and the department of revenue.
13	Section 1241. 560.799 of the statutes is renumbered 238.399 , and 238.399 (1)
14	$(am)\ 2., (3)\ (a), (b)\ (intro.), (bm)\ and\ (c), (5)\ (intro.), (b), (c)\ 1.\ a.\ and\ b., 2.\ b.\ and\ c., (d)$
15	1. and (e), (5m) and (6) (a), (b) (intro.), (c), (d), (e), (f) and (g) (intro.) and 1. (intro.),
16	as renumbered, are amended to read:
17	238.399 (1) (am) 2. The department corporation may by rule specify
18	circumstances under which the department corporation may grant exceptions to the
19	requirement under subd. 1. that a full-time employee means an individual who, as
20	a condition of employment, is required to work at least 2,080 hours per year, but

(3) DESIGNATION OF ENTERPRISE ZONES; CRITERIA. (a) The department corporation may designate not more than 12 enterprise zones.

under no circumstances may a full-time employee mean an individual who, as a

condition of employment, is required to work less than 37.5 hours per week.

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investment.

1	(b) (intro.) In determining whether to designate an area under par. (a), the
2	department corporation shall consider all of the following:
3	(bm) The department corporation shall specify whether an enterprise zone
4	designated under par. (a) is located in a tier I county or municipality or a tier II county
5	or municipality.
6	(c) The department corporation shall, to the extent possible, give preference to
7	the greatest economic need.
8	(5) CERTIFICATION. (intro.) The department corporation may certify for tax
9	benefits any of the following:
10	(b) A business that relocates to an enterprise zone from outside this state, if the
11	business offers compensation and benefits to its employees working in the zone for
12	the same type of work that are at least as favorable as those offered to its employees
13	working outside the zone, as determined by the department corporation.
14	(c) 1. a. The business enters into an agreement with the department
15	corporation to claim tax benefits only for years during which the business maintains
16	the increased level of personnel.
17	b. The business offers compensation and benefits for the same type of work to
18	its employees working in the enterprise zone that are at least as favorable as those
19	offered to its employees working in this state but outside the zone, as determined by
20	the department corporation.
21	2. b. The business enters into an agreement with the department corporation
22	to claim tax benefits only for years during which the business maintains the capital

c. The business offers compensation and benefits for the same type of work to its employees working in the zone that are at least as favorable as those offered to

1	its employees working in this state but outside the zone, as determined by the
2	department corporation.
3	(d) 1. The business is an original equipment manufacturer with a significant
4	supply chain in the state, as determined by the department corporation by rule.
5	(e) A business located in an enterprise zone if the business purchases tangible
6	personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
7	services from Wisconsin vendors, as determined by the department corporation.
8	(5m) Additional tax benefits for significant capital expenditures. If the
9	department corporation determines that a business certified under sub. (5) makes
10	a significant capital expenditure in the enterprise zone, the department corporation
11	may certify the business to receive additional tax benefits in an amount to be
12	determined by the department corporation, but not exceeding 10 percent of the
13	business' capital expenditures. The department corporation shall, in a manner
14	determined by the department corporation, allocate the tax benefits a business is
15	certified to receive under this subsection over the remainder of the time limit of the
16	enterprise zone under sub. (4).
17	(6) (a) The department of commerce corporation shall notify the department
18	of revenue when the department of commerce corporation certifies a business to
19	receive tax benefits.
20	(b) (intro.) The department corporation shall revoke a certification under sub.
21	(5) if the business does any of the following:
22	(c) The department of commerce corporation shall notify the department of

revenue within 30 days of a revocation under par. (b).

determines all of the following:

1	(d) The department corporation may require a business to repay any tax
2	benefits the business claims for a year in which the business failed to maintain
3	employment or capital investment levels required by an agreement under sub. (5) (c).
4	(e) The department corporation shall determine the maximum amount of the
5	tax credits under ss. 71.07 (3w), 71.28 (3w), and 71.47 (3w) that a certified business
6	may claim and shall notify the department of revenue of this amount.
7	(f) The department corporation shall annually verify the information
8	submitted to the department corporation under ss. 71.07 (3w), 71.28 (3w), or 71.47
9	(3w).
10	$(g) (intro.) The \frac{department}{corporation} shall \frac{promulgate}{promulgate} \underline{adopt rules} \underline{specifying} $
11	all of the following by rule:
12	1. (intro.) The definitions of a tier I county or municipality and a tier II county
13	or municipality. The department corporation may consider all of the following
14	information when establishing the definitions required under this subdivision:
15	SECTION 1242. 560.7995 of the statutes is renumbered 238.3995, and 238.3995
16	(1) (b) and (c), (2) (a) (intro.) and 4., (b) (intro.) and 8., (c) 1. and 2. and (d), (3) (a), (b),
17	(c) and (d) 1. and 2., (4) (a) (intro.) and 10., (am), (ar), (b) 1., (c) (intro.) and (d) and
18	(5), as renumbered, are amended to read:
19	$238.3995\textbf{(1)}\text{(b)}$ "Full-time job" has the meaning given in s. $\underline{560.70}\underline{238.30}\text{(2m)}.$
20	(c) "Target population" has the meaning given in s. 560.70 238.30 (6).
21	(2) (a) (intro.) Subject to pars. (c) and (e), the department corporation may
22	designate an area as an airport development zone if the department corporation

- 4. That the airport development project is not likely to occur or continue without the department's corporation designation of the area as an airport development zone.
- (b) (intro.) In making a determination under par. (a), the department corporation shall consider all of the following:
 - 8. Any other factors that the department corporation considers relevant.
- (c) 1. The department corporation may not designate as an airport development zone, or as any part of an airport development zone, an area that is located within the boundaries of an area that is designated as a development zone under s. 560.71 238.31, as a development opportunity zone under s. 560.795 238.395, or as an enterprise development zone under s. 560.797 238.397.
- 2. The department corporation shall give the department of transportation the opportunity to review and comment on any proposed designation under this subsection and the department of transportation may deny any such designation if the department of transportation determines that the designation would compromise the airport's safety or utility. The department of transportation may also review and comment on any land use or compatibility issues related to any proposed designation under this subsection.
- (d) Notwithstanding pars. (a) to (c), and except as provided in par. (e), the department corporation shall designate as an airport development zone the area within the boundaries of Adams, Fond du Lac, Green Lake, Juneau, Langlade, Lincoln, Marathon, Marquette, Menominee, Oneida, Portage, Price, Shawano, Taylor, Waupaca, Waushara, Winnebago, Wood, and Vilas counties.
- (3) (a) When the department corporation designates an area as an airport development zone, the department corporation shall specify the length of time, not

to exceed 84 months, that the designation is effective, subject to par. (d). The department corporation shall notify each person certified for tax benefits in an airport development zone, the department of revenue, the department of transportation, the Wisconsin Housing and Economic Development Authority, and the governing body of each county, city, village, town, and federally recognized American Indian tribe or band in which territory of the airport development zone is located of the designation of and expiration date of the airport development zone.

- (b) When the department corporation designates an area as an airport development zone, the department corporation shall establish a limit, not to exceed \$3,000,000, for tax benefits applicable to the airport development zone, except that the department corporation shall limit the amount of tax benefits applicable to the airport development zone designated under sub. (2) (d) to \$750,000. The total tax benefits applicable to all airport development zones may not exceed \$9,000,000, less any amount allocated to technology zones under s. 560.96 238.23 (2) (b) and to agricultural development zones under s. 560.798 238.398 (2) (b), and except that the total amount allocated to all technology zones under s. 560.96 238.23 (2) (b) and to all agricultural development zones under s. 560.798 238.398 (2) (b), may not exceed \$6,000,000. The department corporation may not reallocate amounts as provided under this paragraph on or after January 1, 2010, except that the department corporation may, after 48 months from the month of any designation under this section, evaluate the area designated as an airport development zone and reallocate the amount of available tax benefits.
- (c) Annually, the <u>department corporation</u> shall estimate the amount of forgone state revenue because of tax benefits claimed by persons in each airport development zone.

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- (d) 1. Notwithstanding the length of time specified by the department corporation under par. (a), the designation of an area as an airport development zone shall expire 90 days after the day on which the department corporation determines that the forgone tax revenues estimated under par. (c) will equal or exceed the limit established for the airport development zone.
- 2. The department corporation shall immediately notify each person certified for tax benefits in an airport development zone, the department of revenue, the department of transportation, the Wisconsin Housing and Economic Development Authority, and the governing body of each county, city, village, town, and federally recognized American Indian tribe or band in which territory of the airport development zone is located of a change in the expiration date of the airport development zone under this paragraph.
- (4) (a) (intro.) A person that intends to operate a place of business in an airport development zone may submit to the department corporation an application and a business plan. The business plan shall include all of the following:
- 10. Any other information required by the department corporation or the department of revenue.
- (am) A person that intends to operate a business in the airport development zone designated under sub. (2) (d) may submit to the department corporation an application and a business plan that includes all of the information required under par. (a). In approving business plans submitted under this paragraph, the department corporation shall give higher priority to airport development projects located or proposed to be located in a distressed area, as defined in s. 560.605 (7) (b) areas that have high levels of unemployment, areas that have a low median household income, areas where significant number of workers have been

permanently laid off, areas in which an employer has given public notice of a plant
closing or a substantial reduction in force that will result in a significant number of
workers in the area being permanently laid off, and areas affected by other factors
that indicate they are distressed areas, as determined by the corporation.
(ar) The department corporation may not accept or approve any applications
or business plans submitted under par. (a) on or after March 6, 2009.
(b) 1. Except as provided in subd. 2., if the department corporation approves
a business plan under par. (a) or (am), the department corporation shall certify the
person as eligible for tax benefits. The department corporation shall notify the
department of revenue within 30 days of certifying a person under this paragraph.
(c) (intro.) The department corporation shall revoke a person's certification
under par. (b) when the designation of the applicable airport development zone
expires or if the person does any of the following:
(d) The department corporation shall notify the department of revenue within
30 days after revoking a certification under par. (c).
(5) Verification of information. The department corporation annually shall
verify information submitted to the department corporation under ss. 71.07 (2dm)
and (2dx), 71.28 (1dm) and (1dx), and 71.47 (1dm) and (1dx) as it relates to airport
development zones.
SECTION 1243. Subchapter VIII (title) of chapter 560 [precedes 560.86] of the
statutes is repealed.
SECTION 1244. 560.86 of the statutes is repealed.
SECTION 1245. 560.87 of the statutes is repealed.

SECTION 1246. 560.875 of the statutes is repealed.

1	Section 1247. Subchapter IX of chapter 560 [precedes 560.90] of the statutes
2	is repealed.
3	SECTION 1248. 560.90 of the statutes is repealed.
4	SECTION 1249. 560.905 of the statutes is repealed.
5	SECTION 1250. 560.92 of the statutes is repealed.
6	SECTION 1251. 560.93 of the statutes is repealed.
7	SECTION 1252. 560.96 of the statutes is renumbered 238.23, and 238.23 (2) (a)
8	and (b), (3) (a) (intro.), (b) (intro.), (c) and (d), (4) (a) (intro.) and (b) and (5) (intro.),
9	(e) and (g), as renumbered, are amended to read:
10	238.23 (2) (a) Except as provided in par. (c), the department corporation may
11	designate up to 8 areas in the state as technology zones. A business that is located
12	in a technology zone and that is certified by the department corporation under sub.
13	(3) is eligible for a tax credit as provided in sub. (3).
14	(b) The designation of an area as a technology zone shall be in effect for 10 years
15	from the time that the department corporation first designates the area. Not more
16	than \$5,000,000 in tax credits may be claimed in a technology zone, except that the
17	department corporation may allocate the amount of unallocated airport
18	development zone tax credits, as provided under s. 560.7995 238.3995 (3) (b), to
19	technology zones for which the \$5,000,000 maximum allocation is insufficient. The
20	department corporation may change the boundaries of a technology zone during the
21	time that its designation is in effect. A change in the boundaries of a technology zone
22	does not affect the duration of the designation of the area or the maximum tax credit
23	amount that may be claimed in the technology zone.

- (3) (a) (intro.) Except as provided in par. (e), the department corporation may certify for tax credits in a technology zone a business that satisfies all of the following requirements:
- (b) (intro.) In determining whether to certify a business under this subsection, the <u>department corporation</u> shall consider all of the following:
- (c) When the department corporation certifies a business under this subsection, the department corporation shall establish a limit on the amount of tax credits that the business may claim. Unless its certification is revoked, and subject to the limit on the tax credit amount established by the department corporation under this paragraph, a business that is certified may claim a tax credit for 3 years, except that a business that experiences growth, as determined for that business by the department corporation under par. (d) and sub. (5) (e), may claim a tax credit for up to 5 years.
- (d) The department corporation shall enter into an agreement with a business that is certified under this subsection. The agreement shall specify the limit on the amount of tax credits that the business may claim, the extent and type of growth, which shall be specific to the business, that the business must experience to extend its eligibility for a tax credit, the business' baseline against which that growth will be measured, any other conditions that the business must satisfy to extend its eligibility for a tax credit, and reporting requirements with which the business must comply.
- (4) (a) (intro.) The department of commerce corporation shall notify the department of revenue of all the following:

1	(b) The department corporation shall annually verify information submitted
2	to the department corporation under ss. 71.07 (2di), (2dm), (2dx), and (3g), 71.28
3	(1di), (1dm), (1dx), and (3g), and 71.47 (1di), (1dm), (1dx), and (3g).
4	(5) (intro.) The department corporation shall promulgate adopt rules for the
5	operation of this section, including rules related to all the following:
6	(e) Standards for extending a business's certification, including what
7	measures, in addition to job creation, the department corporation will use to
8	determine the growth of a specific business and how the department corporation will
9	establish baselines against which to measure growth.
10	(g) The exchange of information between the department of commerce
11	corporation and the department of revenue.
12	SECTION 1253. Subchapter X (title) of chapter 560 [precedes 560.9801] of the
13	statutes is repealed.
14	SECTION 1254. 560.9801 of the statutes is renumbered 234.5601, and 234.5601
15	(2) (a), as renumbered, is amended to read:
16	234.5601 (2) (a) A housing authority organized under s. 59.53 (22), 61.73,
17	66.1201, or 66.1213 or ch. 234 this chapter.
18	SECTION 1255. 560.9802 of the statutes is renumbered 234.5602, and 234.5602
19	(1) (a) and (b), (3) and (4), as renumbered, are amended to read:
20	234.5602 (1) (a) The department authority shall prepare a comprehensive
21	5-year state housing strategy plan. The department authority shall submit the plan
22	to the federal department of housing and urban development.
23	(b) In preparing the plan, the department authority may obtain input from
24	housing authorities, community-based organizations, the private housing industry

and others interested in housing assistance and development.

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1	(3) The department authority shall annually update the state housing strategy
2	plan.
3	(4) Before October 1 of each year, the department authority shall submit the
4	state housing strategy plan to the governor and to the chief clerk of each house of the
5	legislature for distribution to the legislature under s. 13.172 (2).
6	SECTION 1256. 560.9803 of the statutes is renumbered 234.5603, and 234.5603
7	(1) (intro.) and (a), (2) (intro.) and (e) 7. and (3), as renumbered, are amended to read: (2) (intro.) and (3) (2) (intro.) and (3) (
8	234.5603 (1) (intro.) The department authority shall do all of the following:
9	(a) Subject to sub. (2), make grants or loans, directly or through agents
10	designated under s. 560.9804 234.5604 , from the appropriation under s. 20.143 (2)
11	20.490(7) (b) to persons or families of low or moderate income to defray housing costs
12	of the person or family.
13	(2) (intro.) In connection with grants and loans under sub. (1), the department
14	authority shall do all of the following:
15	(e) 7. Other persons or families that the department authority determines have
16	particularly severe housing problems.
17	(3) (a) The department authority may make grants or loans under sub. (1) (a)
18	directly or through agents designated under s. 560.9804 234.5604.
19	(b) The department authority may administer and disburse funds from a grant
20	or loan under sub. (1) (a) on behalf of the recipient of the grant or loan.
21	SECTION 1257. 560.9804 of the statutes is renumbered 234.5604, and 234.5604
22	(1) and (2) (intro.), as renumbered, are amended to read:
23	234.5604 (1) The department authority may enter into an agreement with an
24	agent designated under sub. (2) to allow the designated agent to do any of the
25	following:

1	(a) Award grants and loans under s. 560.9803 234.5603 (1) and (2) subject to
2	the approval of the department <u>authority</u> .
3	(b) Disburse the funds for grants and loans to persons or families of low or
4	moderate income on terms approved by the department authority.
5	(c) On terms approved by the department authority, administer and disburse
6	funds from a grant or loan under s. 560.9803 234.5603 on behalf of the recipient of
7	the grant or loan.
8	(2) (intro.) The department authority may designate any of the following as
9	agents:
10	SECTION 1258. 560.9805 of the statutes is renumbered 234.5605, and 234.5605
11	(1) (intro.), (2) (intro.) and (c) (intro.) and (4), as renumbered, are amended to read:
12	234.5605 (1) (intro.) The department authority may make grants to a
13	community-based organization, organization operated for profit, or housing
14	authority to improve the ability of the community-based organization, organization
15	operated for profit, or housing authority to provide housing opportunities, including
16	housing-related counseling services, for persons or families of low or moderate
17	income. The grants may be used to partially defray any of the following:
18	(2) (intro.) The department authority may not make a grant under sub. (1)
19	unless all of the following apply:
20	(c) (intro.) The department authority determines that the grant to the
21	particular community-based organization, organization operated for profit, or
22	housing authority is appropriate because of any of the following:
23	(4) To ensure the development of housing opportunities, the department

authority shall coordinate the use of grants provided under this section with projects

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undertaken	by	housing	authorities,	organizations	operated	for	profit,	and
community-	base	ed organiz	ations.					

SECTION 1259. 560.9806 (1), (2) and (3) of the statutes are renumbered 234.5606 (1), (2) and (3), and 234.5606 (2) (a) and (3) (intro.) and (d), as renumbered, are amended to read:

234.5606 (2) (a) From the appropriation under s. 20.143 (2) 20.490 (7) (fm), the department authority may award a grant to an eligible applicant for the purpose of providing transitional housing and associated supportive services to homeless individuals and families if the conditions under par. (b) are satisfied. The department authority shall ensure that the funds for the grants are reasonably balanced among geographic areas of the state, consistent with the quality of applications submitted.

- (3) (intro.) Each recipient of a grant under this section shall annually provide all of the following information to the department authority:
- (d) Any other information that the department authority determines to be necessary to evaluate the effectiveness of the transitional housing program operated by the recipient.

SECTION 1260. 560.9806 (4) of the statutes is repealed.

SECTION 1261. 560.9807 of the statutes is renumbered 234.5607 and amended to read:

234.5607 Grants to alleviate homelessness. (1) Grants. From moneys available under s. 20.143 (2) 20.490 (7) (h), the department authority shall make grants to organizations, including organizations operated for profit, that provide shelter or services to homeless individuals or families.

1	(2) Supplemental funds. The department authority shall ensure that grants
2	awarded under sub. (1) are not used to supplant other state funds available for
3	homelessness prevention or services to homeless individuals or families.
4	(2m) REPORT. Annually, the department authority shall submit a report to the
5	speaker of the assembly, the president of the senate and to the appropriate standing
6	committees under s. 13.172 (3) that summarizes how much money was received in
7	the previous year and how that money was distributed.
8	(3) RULES. The department authority shall promulgate adopt rules
9	establishing procedures and eligibility criteria for grants under this section.
10	SECTION 1262. 560.9808 of the statutes is renumbered 234.5608, and 234.5608
11	(2) (a) and (b) (intro.), (3) (b), (3m), (4) (intro.) and (5) (intro.), as renumbered, are
12	amended to read:
13	234.5608 (2) (a) From the appropriations under s. 20.143 (2) 20.490 (7) (fm) and
14	(h), the department authority shall award grants to eligible applicants for the
15	purpose of supplementing the operating budgets of agencies and shelter facilities
16	that have or anticipate a need for additional funding because of the renovation or
17	expansion of an existing shelter facility, the development of an existing building into
18	a shelter facility, the expansion of shelter services for homeless persons, or an
19	inability to obtain adequate funding to continue the provision of an existing level of
20	services.
21	(b) (intro.) The department authority shall allocate funds from the
22	appropriations under s. 20.143 (2) 20.490 (7) (fm) and (h) for temporary shelter for
23	homeless individuals and families as follows:
24	(3) (b) Applications shall be submitted in the form required by the department
25	authority and shall be accompanied by the current or proposed operating budget or

1	both, as required by the department authority, of each shelter facility or agency
2	which that will, directly or indirectly, receive any of the grant money, and an
3	explanation of why the shelter facility or agency has or anticipates a need for
4	additional funding.
5	(3m) Grant Eligibility. In awarding grants under this section, the department
6	authority shall consider whether the community in which an eligible applicant
7	provides services has a coordinated system of services for homeless individuals and
8	families.
9	(4) (intro.) Rule making Rules required. The department authority shall
10	promulgate by rule adopt rules establishing both of the following:
11	(5) (intro.) Prohibited uses. The department authority may not provide a grant
12	for any of the following purposes:
13	SECTION 1263. 560.9809 of the statutes is renumbered 234.5609, and 234.5609
14	(1), (2) and (3) (intro.), as renumbered, are amended to read:
15	234.5609 (1) The department authority may administer housing programs,
16	including the housing improvement grant program and the initial rehabilitation
17	grant program, that are funded by a community development block grant, 42 USC
18	5301 to 5320.
19	(2) The department authority may promulgate adopt rules to administer this
20	section.
21	(3) (intro.) Notwithstanding sub. (2), the department authority shall
22	promulgate adopt rules that specify that an applicant for funds under a program
23	under this section shall be eligible to receive funds under the program in the year
24	following the year for which the applicant submits an application, without having to

submit another application for that following year, if all of the following apply:

Ţ	SECTION 1264. 560.9810 of the statutes is repealed.
2	SECTION 1265. 560.9811 of the statutes is renumbered 234.5611, and 234.5613
3	(2), as renumbered, is amended to read:
4	234.5611 (2) From the appropriation under s. 20.143 (2) 20.490 (7) (fr), the
5	department authority may not award more than \$45,000 in each fiscal year to
6	applying public or nonprofit private entities for the costs of providing certain menta
7	health services to homeless individuals with serious and persistent mental illness
8	Entities that receive funds awarded by the department authority under this
9	subsection shall provide the mental health services required under 42 USC
10	290cc-24. The amount that the department authority awards to an applying entity
11	may not exceed 50% of the amount of matching funds required under 42 USC
12	290cc-23.
13	SECTION 1266. 560.9815 of the statutes is renumbered 234.5615 and amended
14	to read:
15	234.5615 Federal housing assistance programs. Notwithstanding s. 16.54
16	(2) (a), the department authority shall administer federal funds made available to
17	this state under the Stewart B. McKinney homeless assistance act housing
18	assistance programs, 42 USC 11361 to 11402.
19	SECTION 1267. 563.05 (3) of the statutes is amended to read:
20	563.05 (3) The department may promulgate rules specifying the number of
21	business days within which the department must review and make a determination
22	on an application for a permit, as defined in s. $560.41(2)$ $227.116(1g)$, that is issued
23	under this chapter.
24	SECTION 1268. 565.01 (4d) of the statutes is amended to read:

24

1	565.01 (4d) "Minority business" means a business certified by the department
2	of commerce safety and professional services under s. 560.036 490.04 (2).
3	SECTION 1269. 565.01 (4e) of the statutes is amended to read:
4	565.01 (4e) "Minority group member" has the meaning given in s. 560.036
5	<u>490.04</u> (1) (f).
6	SECTION 1270. 601.93 (2) of the statutes is amended to read:
7	601.93 (2) Every insurer doing a fire insurance business in this state shall,
8	before March 1 in each year, file with the commissioner a statement, showing the
9	amount of premiums upon fire insurance due for the preceding calendar year.
10	Return premiums may be deducted in determining the premium on which the fire
11	department dues are computed. Payments of quarterly installments of the total
12	estimated payment for the then current calendar year under this subsection are due
13	on or before April 15, June 15, September 15 and December 15. On March 1 the
14	insurer shall pay any additional amounts due for the preceding calendar year.
15	Overpayments will be credited on the amount due April 15. The commissioner shall,
16	prior to May 1 each year, report to the department of commerce safety and
17	professional services the amount of dues paid under this subsection and to be paid
18	under s. 101.573 (1).
19	SECTION 1271. 610.70 (1) (a) of the statutes is amended to read:
20	610.70 (1) (a) "Health care provider" means any person licensed, registered,
21	permitted or certified by the department of health services or the department of
22	regulation and licensing safety and professional services to provide health care

SECTION 1272. 632.10 (1) of the statutes is amended to read:

services, items or supplies in this state.